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For Immediate Release:

San Bruno Mayor Calls for Reform of Nation's Public Utility System at Mayors' Pipeline Safety Conference

Philadelphia – A month after the California Public Utilities Commission levied a historic \$1.6 billion penalty and fine against the Pacific Gas & Electric Company for the fatal 2010 pipeline explosion that killed eight, San Bruno Mayor Jim Ruane today called for a new model of pipeline oversight and better collaboration between public officials and pipeline safety regulators.

Speaking to a gathering of public officials, pipeline regulators, emergency responders and public utility operators from across the U.S. at the 2015 Mayors' Council on Pipeline Safety Conference in Philadelphia, Ruane said local leaders must participate in solving the critical challenges facing U.S. communities as infrastructure continues to age.

Ruane and Mayor Ed Pawlowski of Allentown, Pa., the site of a 2011 gas pipeline explosion that killed five people, created the Mayors' Pipeline Safety Council in 2013 as a forum for elected

officials, firefighters, legal staff and others to collaborate on strategies to minimize the risks posed by aging pipelines – and develop protocols to prevent these pipeline explosions from happening again.

The 2015 conference will feature more than a dozen discussions and presentations about pipeline safety, including a panel discussion Friday with Chris Hart, chairman of the National Transportation Safety Board (NTSB), and Timothy Butters, acting deputy administrator of the Pipeline Hazardous Materials Safety Administration (PHMSA). See the full agenda [here](#).

Mayor Ruane joined Mayor Pawlowski in opening the conference today with a keynote address.

Mayor Ruane's comments in full:

"As I have often said over these last four years, I am the very proud Mayor of the wonderful City of San Bruno.

I am honored to be here today, to share San Bruno's story and to talk with you about the critically important, lifesaving role that local leaders, public safety officers, pipeline operators, utility workers and regulators can, and must play to ensure that our nation's pipeline and utility infrastructure is safe. When Mayor Pawlowski and I first met in November, 2011 at the National Pipeline Safety Trust conference a few months after the devastating explosion in Allentown, we immediately began to discuss the need for the Mayors' Council on Pipeline Safety. As our experience shows, local elected officials and others at the local level in communities throughout our country truly can make a difference. This first annual conference is an exciting step in the direction of making safety a real priority throughout our nation.

As you saw in the short video clip, the devastating natural gas pipeline explosion in San Bruno occurred without warning, on a day like any other. Those of us in San Bruno have learned that what happened in San Bruno was not an accident – it could, and it should have been prevented. While we cannot bring back the innocent lives that were so tragically lost, we can make sure that the legacy of what happened in San Bruno becomes one of opportunity for the future. The victims and their families are the reason we have continued to fight for justice and for a better, safer system. Those victims are the reason we are here today, sharing with you the lessons we in San Bruno have learned in this important, nearly five-year journey. Together, we must see to it that something like this never happens again, anywhere.

As you just saw, San Bruno is a close knit, family-oriented community of about 42,000 just south of San Francisco. Our Crestmoor neighborhood where the explosion occurred was a typical, well-kept and close-knit residential area with about 375 family homes. It is an understatement to say life for those families changed dramatically, in an instant, and forever on the evening of September 9, 2010.

When the 30-inch, high-pressure natural gas pipeline burst, the loud roar and shaking led residents, including myself, to believe it was an earthquake or a plane crash. Ultimately it took emergency responders nearly an hour to locate the cause of the massive explosion because they were not fully aware of what was under the street. It took over 90 minutes for our utility company to turn off the gas because their monitoring systems were not reporting accurately and they did not know there was a rupture. Once deployed, it took multiple utility workers to meet the exhausting challenge of manually turning the old valves under the pressure of a neighborhood on fire.

The explosion destroyed 38 homes and damaged approximately 60 more. Sixty-six people were injured and most tragically, 8 persons lost their lives. Over 40 families were immediately displaced from their homes and, while most have been able to return, some never will.

The initial and exhaustive investigation by the National Transportation Safety Board took a full year. It ultimately revealed multiple organizational and system failures by the utility, Pacific Gas and Electric Company and of the regulator, the California Public Utilities Commission reaching back over multiple decades as key root causes of the disaster. The utility company did not adhere to proper engineering standards when constructing the system and then neglected to complete required inspection and record keeping. Mandated public awareness programs were largely ignored and ineffective. And, a corporate philosophy that placed shareholder profit over safety diverted funds from necessary capital improvements.

Compounding these failures and even more troubling, the investigation highlighted the inappropriately close relationship between the CPUC and those it regulates and determined that the CPUC failed to enforce and ensure basic safety standards and regulations. As the CPUC's executive director stated during one of the many legislative hearings, the CPUC had become complacent and had succumbed to a 'check-the-box' mentality when it came to regulating safety.

The NTSB's early findings were ultimately echoed in the subsequent CPUC investigative and penalty proceedings during which San Bruno played an integral and highly visible role. San Bruno's participation has been widely acknowledged and credited with driving the penalty decision to historic levels and assuring that the penalty includes significant improvements to the utility system.

In April, the CPUC approved a \$1.6 billion penalty and fine, making this the largest ever levied against a utility in California. While the terrible tragedy we experienced cannot be undone, and we cannot bring back the innocent lives lost, we believe this historic penalty sends the right message that gross negligence, corruption and profits-over-safety will no longer be tolerated.

Today, as I look back on the horrific disaster in San Bruno and all we've been through since, I realize that it has served as a tragic wake-up call to the nation, a clear message that change must happen and now is the time to make sure it does.

I come before you today to encourage a sense of real urgency and to inspire you - the nation's leaders in pipeline and public safety - to view this tragedy as a profound call to action. We must respond and now is the time.

This is an opportunity to change the way regulators, utility operators and local, state and federal leaders work together to ensure that threats to our pipeline system do not equal threats to public safety. What the tragedy in San Bruno has forced us to realize is our pipeline infrastructure is not only rapidly aging to a critical state of deterioration, but the truth is that much of it may not be well documented, inspected properly or maintained at the necessary standard to assure safety as was the case in San Bruno. As we tragically learned, with these ticking time bombs lurking beneath our communities, it is more important than ever that necessary system investments are made, that advanced system monitoring and inspection technologies are developed and deployed, that safety and emergency response training and coordination between public agency first responders and utilities becomes a routine priority and that mandated public information programs are implemented so that clear and usable information is readily available to the public.

The public is relying on regulators to not simply conduct passive audits or check boxes, but to recommit to rigorous monitoring of pipeline safety. As both the NTSB and the CPUC's Independent Review Panel recommended – now is also the time to move to more performance-based regulatory oversight of utility pipeline safety. At the final report hearing, former NTSB Chairman Deborah Hersman said she's heard lots of promises from regulators - but now is the time to get tough. We agree.

Today we are calling for a new model for pipeline oversight, one in which cities develop relationships with regulators, where we join together in discussion and problem solving to address the critical challenges that face our communities and our nation related to aging infrastructure, the need to balance the competing policy considerations of ratemaking and safety, and the critical need to hold our utility companies fully accountable for the highest possible standard of system maintenance and operation where safety is a highest priority outcome.

I am not here today to suggest that responsibility rests solely on our regulators or even solely with regulatory and utilities. I joined Mayor Pawlowski to establish the Mayors' Council on Pipeline Safety to create this national coalition of cities, pipeline safety advocates and others operators united in an effort to improve pipeline safety throughout our nation. Our mission is

to partner together to create more clearly defined pipeline safety initiatives, influence public policy, share best practices, and foster innovative solutions to pipeline safety issues. This is a collaborative process and to be effective we must work together.

I hope that we can commit as local leaders to doing everything we can to advocate and support positive change. We know that change will not happen overnight, but it may not happen at all if we do not commit to seeing it through. I hope that this is the legacy left from the tragedy in San Bruno – one of safety and security for communities across this nation, so that what happened in our City never happens again – anywhere.

Thank you again for being here with us – I look forward to many productive conversations over the next two days.”